

## 2004 Visitor Research Report Details Final Results

For Immediate Release: August 26, 2005  
DBEDT Release News **05-25**

**Note: the 2004 Annual Visitor Research Report can be viewed [here](#).**

HONOLULU--The Hawaii Tourism Liaison and the Department of Business, Economic Development and Tourism (DBEDT) today released the 2004 Annual Visitor Research Report, which details strong growth in Hawaii's visitor industry in 2004 and provides more comprehensive comparison with 2003 visitor data.

"Our State's visitor industry rebounded in 2004 with increases in key areas such as visitor expenditures and visitor days," said State Tourism Liaison Marsha Wienert. "Total expenditures by air visitors exceeded 2003 level by 8 percent to \$10.9 billion. Contributing to the growth was a new milestone achieved in total visitor days to 62.8 million, boosted by record domestic arrivals of 4,892,960 visitors and continued growth in international arrivals."

"Additionally, spending by visitors who came by cruise ships grew 21.2 percent to \$54.3 million, thanks to a flourishing cruise industry in our islands," continued Wienert.

Arrivals by air from the U.S. West, Hawaii's largest market, rose 6.1 percent while visitor expenditures grew 1.7 percent to \$3.9 billion in 2004. U.S. East visitor arrivals (+9.2%) and expenditures (+15.2% to \$3.2 billion) showed strong increases compared to 2003. Arrivals by air from Japan also exceeded the previous year's level by 10.6 percent while visitor expenditure from this market rose 13.7 percent to \$2.2 billion.

### Additional highlights from the report:

- **Air and Cruise Visitor Spending by Island:** Of the \$10.9 billion in visitor spending by both air and cruise visitors in 2004, \$5.5 billion were spent on Oahu. Japanese visitors (\$1.95 billion) who came to the state in 2004 spent the most on Oahu, followed by visitors from the U.S. East (\$1.36 billion) and the U.S. West (\$1.31 billion). Maui received \$2.88 billion in visitor spending, \$1.43 billion of which were by U.S. West visitors, \$1.08 billion by U.S. East visitors, \$134.9 million by Canadians and \$69.4 million were by Japanese visitors. Spending on the Big Island was the third highest at \$1.31 billion, of which U.S. West visitors spent \$590 million, U.S. East visitors spent \$420.4 million and Japanese visitors spent \$138.5 million.
  - **Party size - Visitor by Air:** Parties of all sizes from both domestic and international visitors who came by air in 2004, increased compared to the previous year. International visitors who came in parties of three or more persons accounted for more than half (52.7%) of the international total while 12.9 percent traveled alone. For domestic visitors, party size of two persons comprised the largest share of the domestic total at 43.5 percent. Close to 20 percent of domestic visitors came to the islands by themselves.
  - **Repeat/First Time Visitors - Visitor by Air:** Repeat visitors grew 8 percent to comprise 62.4 percent of total arrivals by air in 2004. The majority of the repeat visitors were from the U.S. West where 77.4 percent reported that they had been to the islands before. Repeat visitors accounted for 51.1 percent of U.S. East arrivals, 54.6 percent of Japanese arrivals and 57.1 percent of Canadian arrivals in 2004. The majority of the repeat visitors were true independent travelers.
- First-time visitors comprised the majority of the smaller European (71.2%), Other Asia (69.6%), Latin America (65.5%) and Oceania (53.8%) markets. Only 39.7 percent of all first time visitors traveled as true independent while most purchased either group or package tour accommodations. Close to 77 percent of all first time visitors stayed in hotels. Oahu was the most popular destination, visited by 74.4 percent of the first timers to the State. Just over 30 percent visited Maui, 17.6 percent visited the Big Island and 13.8 percent visited Kauai.
- **Visitors who came by Air for Honeymoon/Get Married:** Those who came by air to honeymoon/get married in Hawaii rose 7.5 percent from 2003 to 710,612 visitors. This group comprised 10.3 percent of total air visitors to the state. Over half (52.7%) or 374,493 visitors who came to honeymoon/get married in Hawaii, were from Japan, up 10.4 percent compared to 2003. U.S. East with 151,999 wedding/honeymoon visitors was 6.3 percent higher, while U.S. West had 134,033 wedding/honeymoon visitors, up 1 percent compared to the previous year. Nearly 64 percent of the wedding/honeymooners were first-time visitors to the state. The majority purchased group or packaged tours while only 26.4 percent traveled as true independents. The average length of stay by this group in the state was 7.49 days.
  - **Visitors who came by Air for MCI:** A total of 458,754 visitors came to attend meetings, conventions and incentives (MCI) in the State, down 3.1 percent from the previous year. MCI travelers accounted for 6.6 percent of total air visitors in 2004. More than half (53.9%) of the MCI visitors booked their hotels and air fare separately, while the remainder purchased either group or package tour accommodations. MCI visitors stayed an average of 8.06 days in Hawaii.
  - **U.S. West air visitors:** Visitor days from the U.S. West, the state's primary visitor market, rose 5.4 percent due to a 6.1 percent increase in arrivals. California was the largest contributor (63.9%) to the 2,768,002 total visitors from the U.S. West. Arrivals from California rose 6.1 percent from 2003 to 1.77 million visitors. Washington (+10.6%) and Oregon (+4.9%), the second and third largest contributors to U.S. West arrivals, also rose to 293,786 and 135,943 visitors, respectively. Repeat visitors comprised 77.3 percent of all visitors from the U.S. West, compared to 76.9 percent in the previous year. The majority (67%) of the U.S. West visitors were true independent travelers while the remainder purchased group or package tours.



Expenditures by U.S. West visitors rose 1.7 percent from 2003 to \$3.9 billion while their daily spending was \$148 per person compared to \$153 per person in 2003. Lodging expenses by these visitors averaged \$58 per person per day, 11.1 percent lower compared to 2003. This group also spent more on entertainment and recreation (+15.3% to \$14 per person) and transportation (+7.1% to \$17 per person) than those who came during the previous year.

- **U.S. East air visitors:** Hawaii's second largest visitor market is the U.S. East with 1,805,377 visitors in 2004. Total visitor days from this group rose 9 percent due to a 9.2 percent growth in arrivals to the islands. All seven regions of the U.S. East market reported increased arrivals compared to the previous year. The largest of all the sub-markets is the East-North-Central Region with 412,006 visitors. Ranked second in arrivals is the South Atlantic Region with 386,662 visitors. About half (52.1%) of the U.S. East visitors have been to Hawaii at least once before. There were more true independent travelers (63%) from the U.S. East than those who purchased group and packaged tours.

Total expenditures from this market jumped 15.2 percent to \$3.2 billion while daily spending by U.S. East air visitors rose to \$173 per person from \$163 per person in the previous year. Lodging expenditures for this group was 1.3 percent lower compared to 2003 and averaged \$63 per person on a daily basis. Food and beverages was the next largest expense for these visitors at \$36 per person (+2.2%), followed by shopping at \$25 per person (-2.1%).

- **Japanese air visitors:** Japanese visitor days in 2004 rose 8.6 percent, due to a 10.6 percent increase in arrivals to 1,482,085 visitors. The length of stay was 5.80 days. Unlike their U.S. counterparts, most Japanese visitors came on packaged tours, while only 13.7 percent were true independent travelers. Total Japanese visitor expenditures rose 13.7 percent to \$2.2 billion. Daily spending by Japanese visitors continued to be the highest among all visitors to Hawaii at \$252 per person, up from \$240 per person in the previous year. In contrast to other visitor groups, the largest expense by Japanese visitors was shopping which increased 10 percent to \$99 per person per day. Japanese visitors spent over three times as much per day shopping than those from the U.S. mainland, Canada and Europe. Japanese visitor spending on lodging, at \$60 per person, was 1.7 percent lower than in 2003. These visitors spent \$43 per person on food and beverages (+4%).
- **Canadian air visitors:** Visitor days from Canada, the fourth largest market, increased 3.3 percent due to 5.9 percent growth in arrivals compared to the previous year. The average length of stay by these visitors was 13.13 days, the longest among Hawaii's visitor groups. Total expenditures by Canadian visitors rose 8.4 percent to \$363.6 million in 2004. Daily visitor spending increased from \$122 per person to \$128 per person and was the lowest among the MMAs. Lodging expenditures by these visitors averaged \$55 per person per day, up 5.7 percent compared to 2003. Food and beverages expenses rose 7 percent to \$28 per person, while shopping expenses averaged \$15 per person, up 11.3 percent from the previous year.
- **Air Seats:** The total number of air seats operating to Hawaii in 2004 rose 8.5 percent from the previous year to 9,631,650 with increases in seats capacity on domestic (+10.1%) and international flights (+4.9%). Compared to 2003 domestic seat capacity increased by 23.1 percent at the Kona International airport, 12.2 percent at the Kahului airport, 11.8 percent at the Lihue airport and 7.9 percent at Honolulu International airport. International seat capacity also rose at airports in Honolulu (+5.3%) and Kona (+20.2%).
- **Out-of-state cruise visitors:** A total of 240,800 out-of-state cruise visitors came by air to board cruise ships or came with cruise ships touring in the islands in 2004, up 4.5 percent compared to the previous year. Visitors from the U.S. East comprised the largest percentage of out-of-state passengers (53%), followed by visitors from U.S. West (27.9%), Canada (6.7%), Europe (3.2%), and others (9.2%).

Close to 58 percent were repeat visitors to the islands, while 41.7 percent came to Hawaii for the first time. The total average length of stay by out-of-state cruise passengers in 2004 was 8.06 days. In addition to the average of 5.39 days these passengers spent aboard ship touring the islands and the 1.10 days they spent on shore after their cruise was over, visitors who arrived in Hawaii by air stayed an average of 1.57 days in Hawaii before their cruise. The average out-of-state cruise visitor in 2004 spent approximately \$95 per person per day while on shore in Hawaii up from \$65 per person in 2003. U.S. East cruise visitors spent the most on a daily basis at \$103 per person, followed by visitors from Europe (\$91 per person), Canada (\$90 per person), and the U.S. West (\$82 per person).

In addition to the data presented here, the report also includes detailed air visitor statistics: by major market areas (MMAs: U.S., Japan, Canada, Europe, Oceania, Other Asia and Latin America), by purpose of trip, by accommodation and by first-time/repeat visitor status; detailed visitor expenditures by MMA, by island and by category, and air seat capacity data to Hawaii. Also presented are statistics on visitor age and gender distributions by MMA, visitor room inventory, hotel occupancy and room rates and a profile of Hawaii's cruise passengers and their spending in 2004.

**Technical Note:** In 2004 improvements were made in the methodologies used to collect visitor expenditure statistics, replacing the expenditure diary survey with visitor departure surveys on each island, which yielded a much larger sample size and provided improved data for visitor expenditures by island. Due to these changes, 2004 visitor expenditure statistics may not be entirely comparable to data report in 2003 and in earlier years. See the "Technical Notes, Definitions and Sources of Data for Visitor Statistics" section in the Annual Report for further information.

The 2004 Annual Visitor Research Report is available in Adobe Acrobat format on the DBEDT Web Site: [www3.hawaii.gov/dbedt/tourism](http://www3.hawaii.gov/dbedt/tourism)

A limited number of the printed report will be available in mid September 2005 for pick up free of charge, at:

DBEDT - Research & Analysis Division  
One Capitol District Building  
250 South Hotel Street, 4th Floor, Diamond Head Wing  
Honolulu, Hawaii 96813  
Phone: (808) 586-2466

A shipping and handling charge per report will be applied to all mailing requests at the following rates: *\$3.50 (U.S. Domestic); \$4.00 (Canada); \$5.50 (Mexico) and \$10.00 (Other International)*. Only checks will be accepted.

For further information on the reports, contact the DBEDT's Research and Economic Analysis Division at 586-2466.

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